

ATTN: International Tax Reform Working Group

Dear Representative Nunes and Blumenaur,

I am a former Vermont resident living in Switzerland. I have just spent more than 40 hours and have finally finished filling out my 2012 income tax form for the IRS. It is 25 pages long and my total tax liability for 2012 is zero, by a wide margin. I have to wonder if it is really cost effective to inflict this burden on normal working Americans (I am a technician and my wife is a part time nurse) who happen to not live within the borders of the United States. The income tax form that I filled out for Switzerland took only a couple of hours.

I live in fear that I filled out something incorrectly, or omitted something. The tax code is so confusing that I cannot hope to understand it, and I cannot afford the thousands of dollars it would cost to hire competent professional help. And the penalties are so draconian (intended for money launderers and drug dealers) that I fear a simple mistake can destroy my life. I have attempted to read the tax treaties between the US and Switzerland and they too are undecipherable to the normal citizen. As a result, though I am in my 50's I have avoided investing for my retirement here in Switzerland. I have only normal bank accounts for which the reporting is complicated enough. The risk from my own country is just too great. Even the Swiss government mandated retirement plan which I must be enrolled in is taxed by both governments. The US taxes it when the money goes in and the Swiss when it comes out.

Because of the new reporting requirements that the US has imposed on foreign banks, it is now difficult to find a bank here that will do business with Americans. The business is just not worth the related costs. Also at many companies, Americans are not being considered for jobs that have control over financial accounts, since any foreign corporate accounts controlled by an American must also be reported to the US government. The irony is that this will impose a restriction of the freedom of movement of American citizens in the world effectively imposed by the US government.

I cannot consider renouncing citizenship. Vermont is my home and I hope to return one day.

I can understand the need to pursue tax cheats and criminals, but punishing and heavily burdening normal working Americans in the process is no answer.

The US and Eritrea are the only countries in the world that have citizen based taxation. It is time to consider a residence based income tax. I can't believe that the revenue generated from the present system exceeds the administrative and enforcement costs.